

WC 04-291

SECRET

Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

In the Matter of )  
 )  
**Sioux Valley Telephone Company** )  
Assignor )  
 )  
**Hills Telephone Company, Inc.** )  
Assignee )  
 )  
For Assignment of Local Telephone Exchanges )  
Holding Domestic Blanket Authorizations Under )  
Section 214 of the Communications Act )

FCC/MELLON

JUL 27 2004

**APPLICATION FOR ASSIGNMENT OF  
DOMESTIC BLANKET SECTION 214 AUTHORIZATIONS**

Sioux Valley Telephone Company ("Sioux Valley") and Hills Telephone Company, Inc. ("Hills") hereby request Commission authorization for the assignment from Sioux Valley to Hills of the domestic blanket Section 214 authorizations held by Sioux Valley with respect to its Valley Springs and North Larchwood, South Dakota exchanges, and its East Valley Springs, Minnesota exchange.

The proposed transaction entails the sale of the assets of the three exchanges, including the blanket Section 214 authorizations associated with them. Sioux Valley presently serves an eight-exchange South Dakota study area (NECA Study Area No. 391677), which includes the Dell Rapids, Humboldt-Montrose, Colton, Corsica and Plankinton, South Dakota exchanges, as well as the Valley Springs, East Valley Springs and North Larchwood exchanges. Although the East Valley Springs exchange is located on the Minnesota side of the South Dakota-Minnesota border, it has been included in Sioux Valley's South Dakota study area for decades. After completion of the proposed

transaction, Sioux Valley will continue to own and operate the Dell Rapids, Humboldt-Montrose, Colton, Corsica and Plankinton, South Dakota exchanges.

Hills is an existing local exchange carrier that operates a three-exchange Minnesota study area (NECA Study Area No. 361405, comprised of the Hills, Steen and North Lester, Minnesota exchanges) and a seven-exchange Iowa study area (NECA Study Area No. 351405, comprised of the Alvord, Larchwood, Lester, Inwood, South Steen, South Hills, and South Valley Springs, Iowa exchanges). Hills does not presently own or operate any exchanges in South Dakota.

In accordance with the requirements of Section 63.04(a) of the Commission's Rules, the applicants submit the following information:

**(1) Name, address and telephone number of each applicant:**

**Assignor:**

Sioux Valley Telephone Company  
525 East Fourth Street (P.O. Box 98)  
Dell Rapids, South Dakota 57022  
Telephone: (605) 428-5421  
Facsimile: (605) 428-3132

**Assignee:**

Hills Telephone Company, Inc.  
612 Third Street (P.O. Box 349)  
Garretson, South Dakota 57030  
Telephone: (605) 594-3411  
Facsimile: (605) 594-6776

**(2) Government, state or territory under the laws of which each corporate or partnership applicant is organized:**

Sioux Valley is a corporation organized under the laws of the State of South Dakota.

Hills is a corporation organized under the laws of the State of Minnesota.

- (3) Name, title, post office address, and telephone number of the officer or contact point to whom correspondence concerning the application is to be addressed:

**For Sioux Valley:**

Dennis J. Law, General Manager  
Sioux Valley Telephone Company  
525 East Fourth Street (P.O. Box 98)  
Dell Rapids, South Dakota 57022  
Telephone: (605) 428-5421  
Facsimile: (605) 428-3132

With a copy to Counsel:

Benjamin H. Dickens, Jr.  
Blooston, Mordkofsky, Dickens, Duffy & Prendergast  
2120 L Street, N.W. (Suite 300)  
Washington, D.C. 20037  
Telephone: (202) 659-0830  
Facsimile: (202) 828-5568

**For Hills:**

Don Snyders, General Manager  
Hills Telephone Company, Inc.  
612 Third Street (P.O. Box 349)  
Garretson, South Dakota 57030  
Telephone: (605) 594-3411  
Facsimile: (605) 594-6776

With a copy to Counsel:

Gerard J. Duffy  
Blooston, Mordkofsky, Dickens, Duffy & Prendergast  
2120 L Street, N.W. (Suite 300)  
Washington, D.C. 20037  
Telephone: (202) 659-0830  
Facsimile: (202) 828-5568

- (4) Name, address, citizenship and principal business of any person or entity that directly owns at least ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of those entities (to the nearest one (1) percent):

**Sioux Valley:**

The name, address, citizenship and principal business of the sole entity that directly or indirectly owns at least ten (10) percent of the equity of applicant Sioux Valley is:

<u>Name &amp; Address</u>	<u>% Equity</u>	<u>Citizenship</u>	<u>Principal Business</u>
Golden West Telecommunications Cooperative, Inc. 415 Crown Street Wall, SD 57790	100%	SD Corp.	Telecommunications

Golden West Telecommunications Cooperative, Inc. ("Golden West") is a cooperative corporation that is owned by its approximately 11,661 member-owners. No single member-owner owns ten (10) percent or more of the equity of Golden West.

**Hills:**

The name, address, citizenship and principal business of the sole entity that directly or indirectly owns at least ten (10) percent of the equity of applicant Hills is:

<u>Name &amp; Address</u>	<u>% Equity</u>	<u>Citizenship</u>	<u>Principal Business</u>
Alliance Communications Cooperative, Inc. 612 Third Street Garretson, SD 57030	100%	SD Corp.	Telecommunications

Alliance Communications Cooperative, Inc. ("Alliance") is a cooperative corporation that is owned by its approximately 6,650 member-owners. No single member-owner owns ten (10) percent or more of the equity of Alliance.

- (5) Certification pursuant to 47 C.F.R. Sections 1.2001 through 1.2003 that no party to the application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

Sioux Valley and Hills hereby certify, pursuant to 47 C.F.R. Sections 1.2001 through 1.2003, that no party to the present application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

**(6) Description of the transaction:**

The transaction is a sale of the assets of three local telephone exchanges by Sioux Valley to Hills. The Valley Springs exchange (approximately 508 access lines) and the North Larchwood exchange (approximately 2 access lines) are located in Minnehaha County (2000 county population: 148,281) in southeastern South Dakota. The East Valley Springs exchange (approximately 47 access lines) is located in Rock County (2000 county population: 9,721) in southwestern Minnesota, but is served by the switching facilities of the Valley Springs exchange and has long been included in Sioux Valley's South Dakota study area. The three exchanges are located right along the South Dakota-Minnesota border at Valley Springs, South Dakota and East Valley Springs, Minnesota, and extend approximately five miles south to the South Dakota-Minnesota-Iowa border. When the transaction is completed, Hills will own the switches, lines, customer lists, blanket domestic Section 214 authorizations, state certificates, and other tangible and intangible assets of the three exchanges, and will provide wireline local exchange service and exchange access within the three exchanges.

**(7) Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area:**

The local exchange service areas of Sioux Valley and its affiliates, and of Hills and its affiliates, are depicted on the maps in Exhibit A, B and C hereto. Exhibit A is a color-coded map showing the local exchange areas of Sioux Valley, Golden West, other Golden West affiliates, Alliance and other South Dakota independent local exchange carriers. Exhibit B is a more detailed map showing the Valley Springs exchange, the existing Hills exchanges, and the adjacent Alliance exchanges. Exhibit C is a more detailed map showing the Valley Springs, East Valley Springs and North Larchwood exchanges.

**Sioux Valley**

Sioux Valley is a rural telephone company that provides wireline local exchange service and exchange access service to residential and business customers in five South Dakota telephone exchanges in addition to the three exchanges that it is selling to Hills. The five exchanges are Dell Rapids and Colton in Minnehaha County, South Dakota (2000 county population: 148,281); Humboldt-Montrose along the border of Minnehaha County and McCook County, South Dakota (2000 county population: 5,832); Corsica in Douglas County, South Dakota (2000 county population: 3,458) and Plankinton in Aurora County, South Dakota (2000 county population: 3,058). Sioux Valley serves approximately 5,358 access lines in these five exchanges.

Sioux Valley currently holds a 6.42 percent equity interest in Express Communications, Inc. ("Express"), an interexchange carrier that is owned by twenty-eight South Dakota local exchange carriers (including Sioux Valley, Golden West and Alliance).

Sioux Valley holds a 4.10 percent equity interest in South Dakota Network, LLC ("SDN"), a limited liability corporation owned by twenty-eight South Dakota independent local exchange carriers (including Sioux Valley, Golden West and Alliance) that provides centralized equal access and transport services throughout various portions of rural South Dakota.

Sioux Valley holds 100 percent of the equity of Sioux Valley Wireless Holdings, LLC ("SVWH"), a South Dakota limited liability company. SVWH holds 16,000.17 units in Midwest Wireless Holdings, L.L.C ("Midwest Wireless"). Midwest Wireless is a CMRS provider licensed to serve portions of Minnesota, Iowa, Wisconsin, North Dakota and South Dakota.

Sioux Valley holds 104,258 shares of common stock in Onvoy, Inc., a Minnesota corporation that provides centralized equal access service, as well as integrated voice, data, and network services, via its fiber optic communications network linking communities throughout Minnesota.

#### **Sioux Valley Affiliates**

Golden West is a rural telephone company that provides wireline local exchange service and exchange access service to residential and business customers in twenty-eight telephone exchanges. The Golden West exchanges are located in western South Dakota, in the counties of Bennett (2000 county population: 3,574), Butte (2000 county population: 9,094), Custer (2000 county population: 7,275), Fall River (2000 county population: 7,453), Haakon (2000 county population: 2,196), Jackson (2000 county population: 2,930), Jones (2000 county population: 1,193), Mellette (2000 county population: 2,083), Pennington (2000 county population: 88,565), Perkins (2000 county population: 3,363), Shannon (2000 county population: 12,466), Stanley (2000 county population: 2,772), Todd (2000 county population: 9,050) and Ziebach (2000 county population: 2,519). Golden West serves approximately 17,704 access lines in its twenty-eight exchanges, including approximately 84 access lines in Nebraska and approximately 26 access lines in Wyoming.

Golden West owns 100 percent of Golden West Telephone Properties, Inc., which in turn owns 100 percent of Vivian Telephone Company ("Vivian"). Vivian is a rural telephone company that provides wireline local exchange service and exchange access service to residential and business customers in nineteen telephone exchanges. The Vivian exchanges are located in the South Dakota counties of Bon Homme (2000 county population: 7,260), Charles Mix (2000 county population: 9,350), Custer (2000 county population: 7,275), Gregory (2000 county population:

4,792), Hutchinson (2000 county population: 8,075), Jones (2000 county population: 1,193), Lyman (2000 county population: 3,895), Pennington (2000 county population: 88,565), Todd (2000 county population: 9,050), Tripp (2000 county population: 6,430), Turner (2000 county population: 8,849) and Yankton (2000 county population: 21,652). Vivian serves approximately 18,973 access lines in its nineteen exchanges, including approximately 13 access lines in Nebraska.

Golden West Telephone Properties, Inc. owns 100 percent of Kadoka Telephone Company ("Kadoka"). Kadoka is a rural telephone company that provides wireline local exchange service and exchange access service to residential and business customers in one South Dakota telephone exchange located in Jackson county (2000 county population: 2,930). Kadoka serves approximately 559 access lines in this exchange.

Golden West Telephone Properties, Inc. owns 100 percent of Union Telephone Company ("Union"). Union is a rural telephone company that provides wireline local exchange service and exchange access service to residential and business customers in two telephone exchanges. The Union exchanges are located in Minnehaha County (2000 county population: 148,281) and Turner County (2000 county population: 8,849), South Dakota. Union serves approximately 1,795 access lines in its two exchanges.

Golden West Telephone Properties, Inc. owns 100 percent of Armour Independent Telephone Company ("Armour"). Armour is a rural telephone company that provides wireline local exchange service and exchange access service to residential and business customers in one South Dakota telephone exchange located along the border of Charles Mix County (2000 county population: 9,350) and Douglas County (2000 county population: 3,458), South Dakota. Armour serves approximately 682 access lines in this exchange.

Armour owns 100 percent of Bridgewater-Canistota Independent Telephone Company ("Bridgewater-Canistota"). Bridgewater-Canistota is a rural telephone company that provides wireline local exchange service and exchange access service to residential and business customers in two South Dakota telephone exchanges located in Hutchinson County (2000 county population: 8,075) and McCook County (2000 county population: 5,832), South Dakota. Bridgewater-Canistota serves approximately 976 access lines in its two exchanges.

Golden West owns 100 percent of G.W. Wireless, Inc. ("GWWI"). GWWI is the licensee of Personal Communications Service ("PCS") Station WPOJ757 in the Mitchell, South Dakota Basic Trading Area ("BTA") and PCS Station WPOJ758 in the Rapid City, South Dakota BTA. GWWI is also the licensee of Local Multipoint Distribution Service ("LMDS") Station WPOH478 in the Watertown, South Dakota BTA. GWWI and its partner West River Cooperative Telephone Co. are the licensee of Multichannel Multipoint Distribution Service ("MMDS") Station KNSD316 in the Rapid City, South Dakota BTA. GWWI owns 100 percent of RapidNet, which

provides Internet access services and web development and hosting, in and around Rapid City, South Dakota.

Golden West owns 100 percent of Golden West Technologies, Inc., which provides paging services, sells business telephone systems and other equipment, and operates a call center in the Rapid City, South Dakota area.

Golden West, Vivian, Union, Armour and Bridgewater-Canistota together currently hold a 24.66 percent equity interest in Express, and a 22.35 percent equity interest in SDN.

Sioux Valley and Golden West have no other affiliates that provide telecommunications services.

### Hills

Hills is a rural telephone company that provides wireline local exchange service and exchange access service to residential and business customers in three Minnesota telephone exchanges and seven Iowa telephone exchanges. The Minnesota exchanges are located in Rock County, Minnesota (2000 county population: 9,721), while the Iowa exchanges are located in Lyon County, Iowa (2000 county population: 11,763). Hills serves approximately 631 access lines in its Minnesota exchanges, and approximately 2,123 access lines in its Iowa exchanges.

Hills holds 118,888 shares of common stock in Onvoy, Inc., a Minnesota corporation that provides centralized equal access service, as well as integrated voice, data, and network services, via its fiber optic communications network linking communities throughout Minnesota.

Hills holds a 1.0 percent equity interest in Iowa Network Services, Inc., an Iowa corporation that provides centralized equal access service, as well as integrated voice, data, and network services, via its fiber optic communications network linking communities throughout Iowa.

Hills holds a 12.6 percent equity interest in FiberComm, LLC ("FiberComm"), an Iowa limited liability company that operates as a competitive local exchange carrier in the Sioux City, Iowa, metropolitan area. FiberComm is owned by seven independent local exchange carriers in Minnesota and Iowa.

Hills owns a 12.8 percent equity interest in Fibernet Communications, LC ("Fibernet"), an Iowa limited liability company owned by six independent local exchange carriers in South Dakota, Minnesota, and Iowa. Fibernet provides transport services in certain rural areas of northwest Iowa and southwest Minnesota.

Hills owns 100 percent of the equity interests of Hills Wireless Holdings, LLC ("HWH"), a Minnesota limited liability company. HWH holds 9,259.9 units in



Midwest Wireless Holdings, LLC, a CMRS provider licensed to serve portions of Minnesota, Iowa, Wisconsin, North Dakota and South Dakota.

### Hills Affiliates

Alliance is a rural telephone company that provides wireline local exchange service and exchange access service to residential and business customers in six exchanges in South Dakota, one exchange in Minnesota, and one exchange in Iowa. Its South Dakota exchanges are the Garretson, Brandon, Baltic and Crooks exchanges in Minnehaha County (2000 county population: 148,281), the Alcester exchange in Union County (2000 county population: 12,584); and the Hudson exchange in Lincoln County (2000 county population: 24,131). It also serves the East Garretson exchange in Rock County, Minnesota (2000 county population: 9,721); and the East Hudson exchange in Sioux County, Iowa (2000 county population: 31,589). Alliance serves approximately 8,450 access lines in South Dakota, approximately 84 access lines in Minnesota and approximately 43 access lines in Iowa.

Alliance currently holds a 5.73 percent equity interest in Express, and a 5.94 percent equity interest in SDN.

Alliance holds a 66.66 percent interest in ABS LMDS Venture, which holds FCC licenses for LMDS facilities in the following nine Basic Trading Areas (BTAs): Fort Dodge, Iowa; Mason City, Iowa; Sioux City, Iowa; Janesville-Beloit, Wisconsin; Madison, Wisconsin; Mitchell, South Dakota; Sioux Falls, South Dakota; Ottumwa, Iowa; and Worthington, Minnesota.

Alliance holds a 50.0 percent interest in H&B LMDS Venture, which holds an FCC license for an LMDS facility in the Ottumwa, Iowa BTA.

Alliance holds a 5.0 percent general partnership interest in West Central Transport Group, which provides transport facilities to third parties in eastern South Dakota and western Minnesota.

Alliance owns 22,918.36 units of Midwest Wireless Holdings, LLC, which when combined with the units owned by HWH, comprise approximately 3.0% of the total of all issued and outstanding units of Midwest Wireless Holdings, LLC.

Alliance owns 100 percent of the stock of Splitrock Properties, Inc. ("Splitrock"). Splitrock is a South Dakota corporation that provides local exchange service and exchange access service to residential and business customers in two South Dakota exchanges. These two exchanges are the Howard exchange in Miner County (2000 county population: 2,884); and the Oldham/Ramona exchange in Kingsbury County (2000 county population: 5,815) and Lake County (2000 county population: 11,276). Splitrock serves approximately 1,500 access lines in these two exchanges.

Splitrock currently holds a 1.49 percent equity interest in SDN

Hills and Alliance have no other affiliates that provide telecommunications services.

**(8) Statement as to how the application fits into one or more of the presumptive streamlined categories in section 63.03 or why it is otherwise appropriate for streamlined treatment:**

Sioux Valley, Hills, Golden West and Alliance, and their respective subsidiaries and affiliates, are incumbent independent local exchange carriers that have, in combination, far fewer than two percent of the nation's subscriber lines installed in the aggregate nationwide and no overlapping service areas. Altogether, the four local exchange carriers and their respective subsidiaries and affiliates serve approximately 58,628 access lines in South Dakota, Minnesota, Iowa, Nebraska and Wyoming. These lines comprise a very small fraction of the 3,656,255 access lines that constituted two percent of the nation's estimated 182,812,712 access lines as of June 2003. Source: Industry Analysis and Technology Division, Trends in Telephone Service, May 2004, Table 8.1.

The Sioux Valley and Hills service areas do not overlap. However, the Valley Springs, East Valley Springs and North Larchwood exchanges are adjacent to Alliance's Garretson and Brandon exchanges along a 13-to-14 mile border in Minnehaha County, South Dakota; and adjacent to Hills' Larchwood and Hills exchanges along a 9-to-10 mile border in Rock County, Minnesota and Lyon County, Iowa.

The proposed transaction constitutes a sale of exchanges between two unrelated rural telephone companies that has no potential to harm the public interest.

**(9) Identification of all other Commission applications related to the same transaction:**

On April 5, 2004, Sioux Valley and Hills filed with the Commission a joint petition for waiver of the definition of "study area" contained in the Appendix-Glossary of Part 36 of the Commission's Rules in order to allow Sioux Valley to remove the Valley Springs, East Valley Springs and North Larchwood exchanges from its existing South Dakota study area; and to enable Hills to include the three exchanges in a new South Dakota study area. This petition has not yet been placed on public notice by the Commission.

**(10) Statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure:**

No party to the transaction is facing imminent business failure. Therefore, the applicants are not requesting special consideration because a party to the transaction is facing imminent business failure.

**(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction:**

On April 5, 2004, Sioux Valley and Hills filed with the Commission a joint petition for waiver of the definition of "study area" contained in the Appendix-Glossary of Part 36 of the Commission's Rules in order to allow Sioux Valley to remove the Valley Springs, East Valley Springs and North Larchwood exchanges from its existing South Dakota study area; and to enable Hills to include the three exchanges in a new South Dakota study area.

**(12) Statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets:**

The proposed transaction is a sale of three small rural exchanges (approximately 557 access lines) from one rural telephone company to an unrelated rural telephone company. The three exchanges share a closer community of interest with the existing Hills exchanges along the South Dakota-Minnesota-Iowa border to the east of Sioux Falls, South Dakota than they do with the remaining Sioux Valley exchanges located to the north and west of Sioux Falls (or with the Golden West exchanges in western South Dakota). As a result, Hills has a greater interest than Sioux Valley in operating, maintaining, developing and upgrading the three exchanges.

Hills and Alliance have proven records of investing in state-of-the-art telecommunications facilities and providing high-quality telecommunications services to their customers.

The proposed transaction will have no adverse impacts upon competition. Hills is a rural telephone company that will grow from 2,754 access lines to 3,311 access lines as a result of the transaction, while Sioux Valley is a rural telephone company that will decrease from 5,915 to 5,358 access lines. The approximately 557 access lines being purchased and sold will not affect the rural telephone company status or significantly change the competitive position of either entity.

The 510 South Dakota access lines involved in the proposed transaction comprise less than 0.15 percent of the estimated 346,112 access lines in the State of South Dakota as of June 2003. In fact, the 56,339 South Dakota access lines of Sioux Valley, Hills and their affiliates constitute only 16.3 percent of such South Dakota

access lines. The 47 Minnesota access lines involved in the proposed transaction constituted only 0.0015 percent of the estimated 3,107,378 access lines in the State of Minnesota as of June 2003. Source: Industry Analysis and Technology Division, Trends in Telephone Service, May 2004, Table 8.5.

The Valley Springs and North Larchwood exchanges are located in rural portions of Minnehaha County, South Dakota (2002 county population: 148,241), which also contains the city of Sioux Falls (2000 population: 123,975). Whereas Sioux Valley is currently (and Hills will become) the only provider of wireline local exchange service and exchange access service in these exchanges (as well as the adjacent East Valley Springs, Minnesota exchange), the area is increasingly subject to competition from Sioux Falls-based wireless carriers such as Verizon Wireless, Sprint PCS, Rural Cellular Corporation, CellularOne, Western Wireless Corporation and Nextel Communications. Particularly in light of the small size of Hills and Alliance vis-à-vis industry giants such as Verizon and Sprint, as well as mid-sized companies such as Rural Cellular Corporation, CellularOne, Western Wireless Corporation and Nextel Communications, the proposed transaction will not adversely impact this wireline-wireless competition.

Sioux Valley, Hills and their affiliates have long ago implemented equal access to interexchange carriers within all of their exchange areas. Both before and after the proposed transaction, customers in the Valley Springs, East Valley Springs and North Larchwood exchanges will have and continue to have the option to presubscribe to the toll services provided by well over forty interexchange carriers.

Sioux Valley, Golden West and Alliance own, in the aggregate, only a non-controlling 36.81 percent equity interest in Express, the interexchange carrier that is owned by 28 South Dakota local exchange carriers. Whereas Hills may become eligible to acquire a small equity interest in Express at some future date, the proposed transaction will not impact the control of Express.

In sum, the proposed transaction will provide the rural customers of the Valley Springs, East Valley Springs and North Larchwood exchanges with a new owner that has a proven interest and record of operating, maintaining, developing and upgrading rural telephone exchanges. It will absolutely have no adverse impact upon competition in domestic telecommunications markets.

**Conclusion**

In light of the foregoing facts and public interest considerations, the Commission is respectfully requested to grant Sioux Valley authorization to assign to Hills the domestic blanket Section 214 authorizations for the Valley Springs, East Valley Springs and North Larchwood exchanges.

Respectfully submitted,

**SIoux VALLEY TELEPHONE  
COMPANY**

By 

Printed Name: Dennis Law

Title General Manager

Date 7@22-04

**HILLS TELEPHONE COMPANY,  
INC.**

By \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**Conclusion**

In light of the foregoing facts and public interest considerations, the Commission is respectfully requested to grant Sioux Valley authorization to assign to Hills the domestic blanket Section 214 authorizations for the Valley Springs, East Valley Springs and North Larchwood exchanges.

Respectfully submitted,

**SIoux VALLEY TELEPHONE  
COMPANY**

By \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**HILLS TELEPHONE COMPANY,  
INC.**

By  \_\_\_\_\_

Printed Name: Don Snyder

Title General Manager

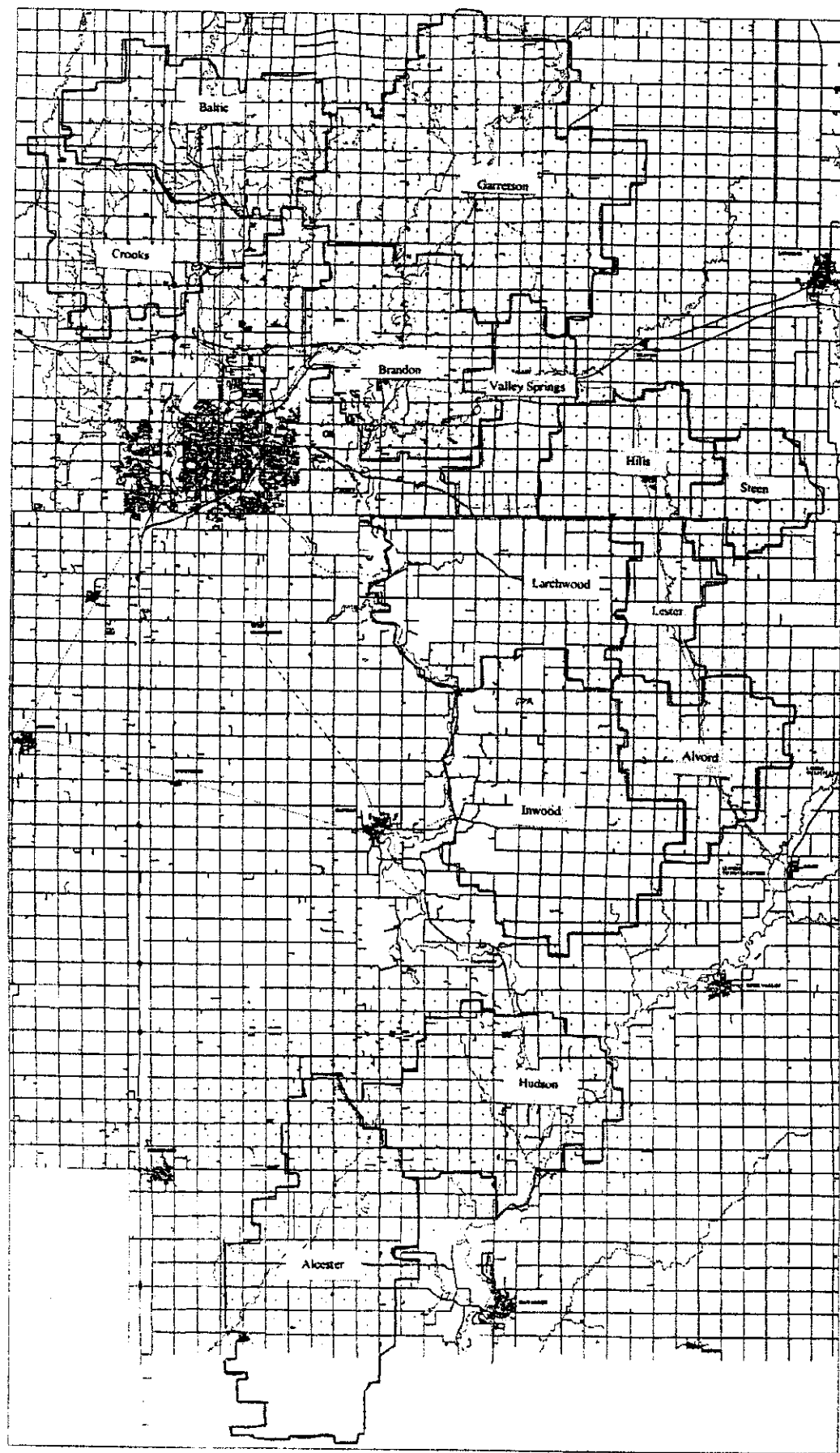
Date 7/22/04

## **EXHIBIT A**

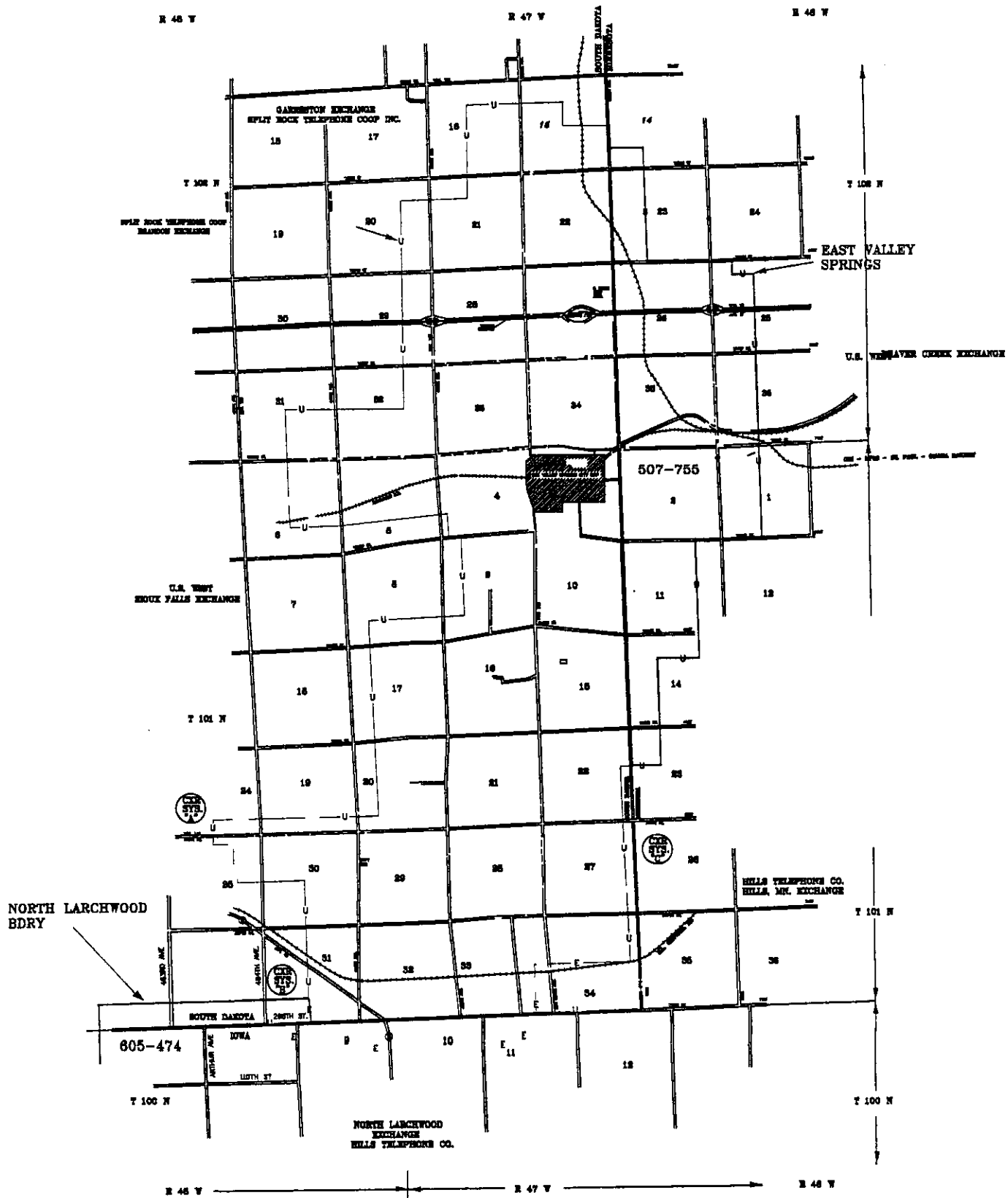




## **EXHIBIT B**



## EXHIBIT C



READ INSTRUCTIONS CAREFULLY  
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION  
REMITTANCE ADVICE

Approved by OMB  
3060-0589  
Page 1 of 1

(1) LOCKBOX #  <b>358145</b>		SPECIAL USE ONLY	
		FCC USE ONLY	
<b>SECTION A - PAYER INFORMATION</b>			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) <b>Alliance Communications Cooperative, Inc.</b>		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) <b>\$860.00</b>	
(4) STREET ADDRESS LINE NO. 1 <b>612 East Third Street</b>			
(5) STREET ADDRESS LINE NO. 2 <b>349</b>			
(6) CITY <b>Garretson</b>		(7) STATE <b>SD</b>	(8) ZIP CODE <b>57030-0349</b>
(9) DAYTIME TELEPHONE NUMBER (include area code) <b>605/594-3411</b>		(10) COUNTRY CODE (if not in U.S.A.)	
<b>FCC REGISTRATION NUMBER (FRN) REQUIRED</b>			
(11) PAYER (FRN) <b>0005097159</b>		(12) FCC USE ONLY	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME <b>Sioux Valley Telephone Company and Hills Telephone Company, Inc.</b>			
(14) STREET ADDRESS LINE NO. 1 <b>612 East Third Street</b>			
(15) STREET ADDRESS LINE NO. 2 <b>P.O. Box 349</b>			
(16) CITY <b>Garretson</b>		(17) STATE <b>SD</b>	(18) ZIP CODE <b>57030-0340</b>
(19) DAYTIME TELEPHONE NUMBER (include area code) <b>605/594-3411</b>		(20) COUNTRY CODE (if not in U.S.A.)	
<b>FCC REGISTRATION NUMBER (FRN) REQUIRED</b>			
(21) APPLICANT (FRN) <b>0005097175</b>		(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE <b>CUT</b>	(25A) QUANTITY <b>1</b>	
(26A) FEE DUE FOR (PTC) <b>860.00</b>	(27A) TOTAL FEE <b>860.00</b>	FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23b) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2	
<b>SECTION D - CERTIFICATION</b>			
<b>CERTIFICATION STATEMENT</b> I, _____, certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief. SIGNATURE _____ DATE _____			
<b>SECTION E - CREDIT CARD PAYMENT INFORMATION</b>			
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____			
ACCOUNT NUMBER _____		EXPIRATION DATE _____	
I hereby authorize the FCC to charge my credit card for the service(s) authorization herein described. SIGNATURE _____ DATE _____			

SEE PUBLIC BURDEN ON REVERSE

FCC FORM 159

FEBRUARY 2003 (REVISED)

**CERTIFICATE OF SERVICE**

I, Kelly Laraia, hereby certify that a copy of the foregoing "**Application for Assignment of Domestic Blanket Section 214 Authorizations**" was served this 27th day of July, 2004, by first class mail as indicated, to the persons listed below.

The Honorable Mike Rounds  
Governor's Office  
State Capitol  
Pierre, SD 57501

Best Copy and Printing, Inc.  
445 12<sup>th</sup> Street, S.W., CY-B402  
Washington, D.C. 20054

  
\_\_\_\_\_  
Kelly Laraia